

REMARKS

Applicants withdraw their Appeal and request reconsideration of the rejections of claims 21-44 and 46-79 under 35 U.S.C. § 103(a) stated in the Final Office Action dated October 26, 2006 in view of the Declaration of Christopher Darrow submitted herewith. A Request for Continued Examination is also submitted herewith.

Applicants submit that Karstens is not prior art because Applicants invented the claimed invention prior to September 3, 2002, the filing date of the Karstens patent application. On Page 2 of the October 27, 2006 Final Office Action, the 131 Declaration has been deemed ineffective to overcome U.S. Published Patent Application No. 2004/0044532 to Karstens ("Karstens"), the reference cited under § 102(e). Applicants submit that the attached Declaration of attorney Christopher Darrow, in conjunction with the 131 Declaration provided by the inventors on September 11, 2006, clearly demonstrates conception of the claimed invention well before the filing date of Karstens and continual diligence at least up until the constructive reduction to practice of the filing of U.S. Provisional Application Serial Number 60/421,255 on October 25, 2002.

The following sequence of events, when taken as a whole, supports the above assertion. Applicants submitted an invention disclosure on April 19, 2002 to Disney attorney Don Wenskay. See Inventors' Declaration Exhibit A, submitted September 11, 2006. On April 24, Mr. Darrow began work on a draft provisional application based on this Invention Disclosure. See Darrow Declaration Exhibit 2. An initial draft application was sent to Mr. Wenskay on May 10, 2002. See Darrow Declaration Exhibit 3. We subsequently discussed the application with the inventors on at least May 30 and May 31 as evidenced by the handwritten notes provided in Darrow Declaration Exhibits 5 and 6. Thereafter Mr. Darrow received the April 25, 2002 revised Invention Disclosure, Rev. 3 and opened a new matter for this effort on July 17, 2002. Darrow Declaration Exhibits 8 and 9. Mr. Darrow, as demonstrated by the time charges on Exhibits 2 and 9, periodically worked on the application, and enlisted the assistance of patent agent Margo Maddux in detailed drafting of the application which ultimately was filed on October 25, 2002.

During the period between August 8 and October 10, the task of drafting the revised provisional application was actively pursued as the drafting agent and inventor's availability permitted. The lack of daily documented communications and activity is no indication whatsoever of a lack of diligence in preparation of the patent application. As stated in Mr. Darrow's declaration, "a matter of moderate priority may await action in the agent or attorney's active docket, or intermittently set aside, until such time as is available for the task to be conducted and completed." Such periods of inactivity are not indicative of a lack of diligence, but rather are indicative of the normal sequence of events in preparation of a patent application.

In general, courts have held that a rule of reason should apply in determining attorney diligence. "We agree ... that a rule of reason should be followed in cases of this kind and that courts should be somewhat liberal in determination of diligence of attorneys and of their clerical and stenographic staffs, since the law cannot presume that such people can immediately begin and expeditiously perform their duties as soon as work appears on their desks." D'Amico v. Koike, 347 F.2d 867, 871 (CCPA 1965). Furthermore, a two-month period is reasonable in preparing a draft patent application. Sekine v. Seely, 826 F.2d 1073, (Fed. Cir. 1987) (holding that fifteen weeks is not an excessive amount of time to prepare a patent application for purposes of attorney diligence).

The Examiner, in the final Office Action, asserted that, without more, a two-day period of inactivity was fatal. "A 2-day period lacking activity has been held to be fatal. In re Mulder, 716 F.2d 1542, 1545, 219 USPQ 189, 193 (Fed. Cir. 1983) (37 CFR 1.131 issue)." MPEP § 2138.06. Applicants submit that In re Mulder does not stand for the proposition that two-days during the diligence period without evidence of diligence, while the rest of the period is full with evidence of diligence, would preclude an applicant from proving diligence. Rather, it says that even when the diligence period is as short as two-days, the applicant must show some evidence. Thus, what made Mulder's case fatal was that no evidence of diligence whatsoever was provided by Mulder for the entire critical period of diligence. The court indicated that the applicant had to provide *some* proof of diligence during the critical diligence period. "A liberal construction of the rule ... will permit applicants to show diligence from just prior to the date of the reference to their ... filing date ... but liberality cannot be extended to the point of eliminating all proof of diligence, no matter how short the proof to be covered. Appellant's difficulty, as they have had

to admit, is that there is no evidence whatever of record showing diligence, and therefore they cannot comply with the rule.” In re Mulder, 716 F.2d 1542, 1545. Unlike in In re Mulder where no evidence of diligence was offered at all, Applicants now have provided numerous documents, both by the inventors and by their attorneys and agents, evidencing diligence towards constructive reduction to practice of the instant invention.

Applicants submit that reasonable attorney diligence was used when preparing the provisional application through the entire critical period.

The Office Action of October 27, 2006 states that “It is unclear as to how/why Exhibit C is actually evidence regarding the constructive reduction to practice for the claimed invention” Exhibit C, line 16, is indicative of work in progress by Greenberg Traurig LLP, that of the preparation of the provisional patent application, which is Applicants’ constructive reduction to practice. In support of this position, Darrow Declaration Exhibits 2 and 9 show that time was spent between May 10 and October 25 by both Mr. Darrow and Ms. Maddux in preparation of the revised application that was eventually filed. The September 18, 2002 status report, Exhibit C of the Inventors’ Declaration, fully supports this position. The time entries shown in Darrow Exhibits 2 and 9 further demonstrate that preparation of the application was conducted within normal processing time prior to the critical date of September 3, 2002 until the filing date of October 25, 2002.

In the final Office Action, the examiner queried whether the inventor’s e-mail statement in Exhibit F, was an admission:

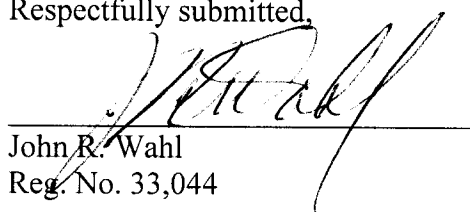
“Is the examiner to conclude that per applicant’s own admission that the subject matter disclosed and relied upon as evidence of conception is not actually unique/patentable and that only the additional subject matter contained in revision 3 should be considered inventive?”

It is respectfully submitted that this e-mail was submitted by an inventor who is not an expert in patent law and thus his statements do not act as an admission in any way. The inventor was opining about incompleteness of the disclosure that formed the basis of the first provisional draft. The additional material Mr. Nguyen was referring to is and was clearly indicated in Darrow Exhibit 8, which was documented as of April 25, 2002, well prior to the critical date of September 3, 2002.

Finally, the first draft of the application was not submitted to the inventors for review on October 22, 2002. The first draft was submitted on May 10, 2002. Darrow Declaration Exhibit 3. The second draft was submitted to the inventors by Ms. Maddux on October 22, 2002. Activity by Mr. Darrow and Ms. Maddux between May 10 and October 22 is evident from the time entries shown in Darrow Exhibits 2 and 9. These entries on June 18, July 16-31, August 8, August 22, and October 9-25 clearly demonstrate that there was continual attorney diligence from conception through constructive reduction to practice of the invention disclosed in the provisional application.

Accordingly, in light of the forgoing remarks it is submitted that Applicants have submitted more than sufficient evidence to demonstrate diligence during the critical period required. Reconsideration of the 131 Declaration, consideration of the Darrow Declaration, and withdrawal of the 35 U.S.C. § 102/103(a) rejections to the claims are, therefore, respectfully requested. Should the rejections be withdrawn, Applicants will timely submit a terminal disclaimer to obviate the rejection under obviousness type double patenting asserted in the final Office Action of October 27, 2006. The Commissioner is hereby authorized to charge any additional fees which may be required, or credit any overpayment to Deposit Account No. 50-2638. Please ensure that the Attorney Docket Number 54317-022501 is referenced when charging payments or credits for this case.

Respectfully submitted,



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